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Poultry Programs

Market News Branch

Mexico Announces Over Quota Pork Products

In May Mexico announced that the quantity of select pork products (tariff numbers 0203.12.01 and 0203.11.01) imported from the United States had exceeded the safeguard quota agreed to under NAFTA. As a result, the tariff will increase to 20 percent from the in-quota rate of 6 percent. The higher rate will remain in effect through December 31, 2000.

The over quota rate went into effect on May 5, 2000 on bone-in hams, shoulders and pieces thereof (tariff number 0203.12.01) after the 2000 quota of 20,657.10 metric tons was exceeded on May 4.

The over quota rate went into effect on May 30, 2000 for pork carcasses and half carcasses (tariff number 0203.11.01) after the 2000 quota of 5,970.26 was exceeded on May 29.

For more information contact: AgMexico@fas.usda.gov, ATOMexico@fas.usda.gov or visit <http://www.fas.usda.gov>.

Source: USDA/Foreign Agricultural Service

Thai Egg Prices Slump

Egg prices to producers in Thailand have fallen to their lowest level in several years. The average has slipped to 1 baht/egg (\$.31 cents per dozen) from 1.53 baht/egg (\$.47 cents per dozen). The slump is the result of a sharp increase in production over the past two years. At the same time, feed prices have increased and the cost of production is put at 1.4 baht/egg (\$.43 cents per dozen). Last year Thailand exported 28 million eggs and is planning to sell 50 million this year. During the first three months of this year, 84 containers (each with 330,000 eggs) were shipped compared to 83 for the entire 1999. Hong Kong, South Korea and the Middle East are major markets for Thai eggs. However, currently some buyers in the Middle East were prepared to pay only 0.60 baht/egg. "At such a low price we will have to stop exporting to this destination," said Sanchai Chonchairat, president of the Hen-Egg Farmers, Traders and Exporters Association.

Source: International Egg Commission

JAPANESE FROZEN BROILER IMPORTS (IN TONS)

Month 1999	United States	China	Brazil	Thailand	Total
January	6,554	15,060	8,078	11,662	41,354
February	10,128	16,275	6,595	10,159	43,157
Total	16,682	31,335	14,673	21,821	84,511
2000					
January	4,800	18,128	5,057	10,134	38,119
February	5,365	13,655	9,741	10,752	39,513
Total	10,165	31,783	14,798	20,886	77,632

Source: ALIC Monthly statistics

India To Triple Tariff on Poultry Products

The Indian Government is raising the tariff on all poultry and poultry products from 35 percent to the WTO bound level of 100 percent. The increase was notified in the second schedule of the 2000 Finance Act which is not yet available. The move is somewhat surprising in that imports of most poultry products do not come off the restricted list until April 2001. The action was clearly taken because of the fears of the domestic poultry industry that they will be unable to compete with American leg quarters. The current wholesale price for poultry meat is rs. 50-55/kg (\$1.14-\$1.26/kg), a price which producers find unprofitable.

Although the removal of quantitative restrictions on poultry began last month, it included only processed poultry products, such as sausages, which have limited potential in the Indian market. The scheduled liberalization of other poultry meat by April 2001 has, however, already alarmed the domestic poultry industry, which is having one of its worst years. For example, Andhra Pradesh, a leading poultry state, already has destroyed 2.5 million eggs due to weak demand for chicks from farmers. A major problem of India's poultry sector is the inefficiency of the marketing system which penalizes producers and consumers with retail prices (\$1.74-\$1.85/kg) of up to 50 percent above the wholesale market.

Given the huge margins of the local industry, it is unlikely that even a 100 percent duty will keep US poultry out of the Indian market from next April. The higher duty will, however, continue to restrain sales of poultry meat among India's price-sensitive consumers.

Source: USDA/Foreign Agricultural Service

Fiscal 2000 U.S. Agricultural Export Forecasts

The June forecast for fiscal year 2000 U.S. poultry meat exports increased from the February forecast. Exports for the first six months in fiscal year 2000 were higher in volume and value compared to the same period in fiscal year 1999.

U.S. agricultural exports: Value by commodity, 1999-2000

Commodity	October-March		Fiscal 1999	Fiscal 2000	
	1999	2000		Projected Feb. June	
	Billion dollars				
Poultry & products	1.012	1.164	2.056	2.2	2.2
Poultry meat	0.846	1.012	1.743	1.8	1.9

U.S. agricultural exports: Volume by commodity, 1999-2000

Commodity	October-March		Fiscal 1999	Fiscal 2000	
	1999	2000		Projected Feb. June	
	Million metric tons				
Poultry meat	1.113	1.481	2.377	2.6	2.7

Source: USDA/Economic Research Service

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Inspected Egg Products-U.S. & Canada Export/Import Trade
U.S. Exports to Canada, in Pounds (Preliminary)

Week Ending Jun 03, 2000

Year-To-Date

	(000)	(000)	(000)	(000)
Type	2000	1999/1	2000	1999
Liquid	201	254	2,509	6,339
Frozen	41	0	85	6
Dried	13	0	226	196
Total	255	254	2,820	6,541

U.S. Imports From Canada, in Pounds (Preliminary)

Week Ending Jun 03, 2000

Year-To-Date

	(000)	(000)	(000)	(000)
Type	2000	1999/1	2000	1999
Liquid	161	82	2,610	1,999
Frozen	11	0	274	103
Dried	13	0	588	60
Total	185	82	3,472	2,162

Inspected Shell Eggs**U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending Jun 03, 2000

Year-To-Date

	2000	1999/1	2000	1999
Jumbo	54	50	517	410
Extra Large	1,230	570	14,892	12,865
Large	1,693	1,908	62,758	47,350
Medium	762	1,890	14,925	22,339
Ungraded	6,930	7,500	81,120	185,669
Misc	0	120	6,210	3,348
Total	10,669	12,038	180,422	271,981

/1 Comparable Week, to-date figures may not total due to rounding.

Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

LIVE POULTRY SLTRD UNDER INSPECTION W/E 3-Jun-00
(PRELIMINARY)**U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,393	1,277	2,670
LAST WEEK	2,077	1,553	3,630
SAME WEEK YR AGO	1,790	1,196	2,986
TO-DATE/2000	44,117	30,361	74,478
TO-DATE/1999	48,216	29,454	77,670

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	494	0	494
LAST WEEK	219	0	219
SAME WEEK YR AGO	508	0	508
TO-DATE/2000	10,924	50	10,974
TO-DATE/1999	10,805	168	10,973

SOURCE: AGRICULTURE CANADA, POULTRY DEVELOPMENT DIVISION

**TOTAL U.S. FOWL SLAUGHTERED
IN THE U.S. AND CANADA**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,887	1,277	3,164
LAST WEEK	2,296	1,553	3,849
SAME WEEK YR AGO	2,298	1,196	3,494
TO-DATE/2000	55,041	30,411	85,452
TO-DATE/1999	59,021	29,622	88,643

CENTRAL REGION PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. 09-JUN-00**CHICKEN PRICES**

	-----FROZEN-----	-----FRESH-----
FAT	FOB DELIVERED	FOB DELIVERED
CONTENT	DOCK	DOCK
15% OR LESS		
RANGE	- -	15.00 -
WTD AVERAGE		15.00

20,400 pounds, this includes 0 pounds for export shipment.

CHICKEN PRICES, WITH ADDED SKIN

15% OR LESS				
RANGE	14.00-16.00	16.50-20.00	12.00-13.00	14.00-15.00
WTD AVERAGE	15.00	18.25	12.56	14.09

510,000 pounds, this includes 0 pounds for export shipment.

15-20%				
RANGE	11.00	14.00	10.00-12.00	12.50-13.50
WTD AVERAGE	11.00	14.00	11.16	13.04

2,080,800 pounds, this includes 122,400 pounds for export shipment.

20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

0 pounds, this includes 0 pounds for export shipment.

* INCLUDES THE FOLLOWING STATES: AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

EASTERN REGION PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. 09-JUN-00**CHICKEN PRICES**

	-----FROZEN-----	-----FRESH-----
FAT	FOB DELIVERED	FOB DELIVERED
CONTENT	DOCK	DOCK
15% OR LESS		
RANGE	15.00 -	16.00-16.40 -
WTD AVERAGE	15.00	16.05

517,000 pounds, this includes 0 pounds for export shipment.

CHICKEN PRICES, WITH ADDED SKIN

15% OR LESS				
RANGE	14.00-17.00	-	13.00	15.00
WTD AVERAGE	16.52		13.00	15.00

404,000 pounds, this includes 104,000 pounds for export shipment.

15-20%				
RANGE	12.21-13.00	13.00	11.25-13.00	12.00-14.00
WTD AVERAGE	12.44	13.00	11.51	13.24

1,796,000 pounds, this includes 208,000 pounds for export shipment.

20% OR MORE				
RANGE	-	-	-	12.75
WTD AVERAGE				12.75

200,000 pounds, this includes 0 pounds for export shipment.

* INCLUDES THE FOLLOWING STATES: CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT

FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS
JUNE 09, 2000

Trade sentiment on fresh tom breast meat steady to barely steady and fresh destrapped tenderloins steady at best. Slower than anticipated further processed demand and good growing conditions in some parts of the country have resulted in adequate to fully adequate offerings of fresh tom breast meat. Offerings of fresh destrapped tenderloins adequate with increased availability noted, frozen fully adequate. Thigh meat trade sentiment steady to barely steady with some noting offers of frozen at lower trending price levels. Demand light. Mechanically separated turkey (MST) trade sentiment mixed with some seeing strength on fresh for late June and early July shipments and on frozen for export. Others, however, are moving excess MST to pet foods. Wing meat with skin steady with some noting increased activity.

FRIDAY, JUNE 09, 2000

EXPORT TRADING

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	26.00		26.00	120	26.24	334
WINGS FULL-CUT - TOMS	20.00-21.00		20.55	362	20.61	416
WINGS, V-TYPE, TOM		M	25.00	104	25.00	104
TAILS	22.00		22.00	104	23.07	224
MECHANICALLY SEPARATED 2/	15.00		15.00	200	13.49	824
THIGH MEAT - FROZEN		W	60.51	106	60.75	210

THURSDAY, JUNE 08, 2000

EXPORT TRADING

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	27.00		27.00	80
WINGS FULL-CUT - TOMS		W	21.00	54
WINGS, V-TYPE, TOM		M	25.00	104
TAILS		W	24.00	120
MECHANICALLY SEPARATED 2/		W	13.00	104
THIGH MEAT - FROZEN		W	60.51	106

WEDNESDAY, JUNE 07, 2000

EXPORT TRADING

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	26.00		26.00	134
WINGS FULL-CUT - TOMS	21.00		21.00	54
WINGS, V-TYPE, TOM		M	25.00	104
TAILS	22.00-25.00		24.00	120
MECHANICALLY SEPARATED 2/	13.00		13.00	104
THIGH MEAT - FROZEN	60.00-61.00		60.51	106

TUESDAY, JUNE 06, 2000

EXPORT TRADING

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	23.37	290
WINGS FULL-CUT - TOMS		F	18.50	364
WINGS, V-TYPE, TOM		M	25.00	104
TAILS				
MECHANICALLY SEPARATED 2/		M	13.00	520
THIGH MEAT - FROZEN	61.00		61.00	104

MONDAY, JUNE 05, 2000

EXPORT TRADING

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	23.37	290
WINGS FULL-CUT - TOMS		F	18.50	364
WINGS, V-TYPE, TOM	25.00		25.00	104
TAILS				
MECHANICALLY SEPARATED 2/	13.00		13.00	520
THIGH MEAT - FROZEN		F	63.00	80

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.

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